

FIRST REGULAR SESSION

HOUSE BILL NO. 412

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES REIBOLDT (Sponsor), REDMON, JOHNSON, HAMPTON,
BLACK, LOVE, CRAWFORD, HOUGHTON, SCHIEFFER, HODGES, MCGAUGH, FITZWATER, PIKE,
DUGGER AND ENTLICHER (Co-sponsors).

1061H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 348.521, RSMo, and to enact in lieu thereof one new section relating to agricultural loan guarantees.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 348.521, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 348.521, to read as follows:

348.521. 1. The authority may issue certificates of guaranty covering a first loss guarantee up to but not more than fifty percent of the loan on a declining principal basis for loans to individuals executing a note or other evidence of a loan made for livestock feed and crop input, but not to exceed the amount of [forty] **one hundred** thousand dollars for any one individual and to pay from the livestock feed and crop input loan guarantee fund to an eligible lender up to fifty percent of the amount on a declining principal basis of any loss on any guaranteed loan made under the provisions of sections 348.515 to 348.533, in the event of default on the loan. Upon payment of the loan, the authority shall be subrogated to all the rights of the eligible lender.

2. As used in sections 348.515 to 348.533, the term "eligible lender" means those entities defined as lenders under subdivision (8) of section 348.015.

3. The authority shall charge for each guaranteed loan a one-time participation fee of fifty dollars which shall be collected by the lender at the time of closing and paid to the authority. In addition, the authority may charge a special loan guarantee fee of up to one percent per annum of the outstanding principal which shall be collected from the borrower by the lender and paid

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 to the authority. Amounts so collected shall be deposited in the livestock feed and crop input
17 loan program fund and used, upon appropriation, to pay the costs of administering the program.

18 4. All moneys paid to satisfy a defaulted guaranteed loan shall only be paid out of the
19 livestock feed and crop input loan guarantee fund established by sections 348.515 to 348.533.

20 5. The total outstanding guaranteed loans shall at no time exceed an amount which,
21 according to sound actuarial judgment, would allow immediate redemption of twenty percent of
22 the outstanding loans guaranteed by the fund at any one time.

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